

Proposed Summary of Guidelines for Forgivable Rehabilitation Loans Through The Lindsay Heights Tax Incremental District (TID)

Eligibility

Who Is Eligible?

Owners who occupy their property and rental property owners who live within the boundaries of the Lindsay tax incremental district are eligible to apply. Properties which previously received TID assistance are not eligible.

Income

There are no income restrictions.

Taxes, Insurance, Mortgages, and Other Restrictions

All owners must be current with their property taxes and mortgages. "Current" includes being on an approved payment plan with their mortgage company and the City Treasurer's Office. Owners must also have property insurance in place at the time they close their loan.

Rental Properties

There are additional restrictions for investor-owners. Landlords must be current with their property taxes and have a good record with the Department of Neighborhood Services.

What Types of Buildings Are Eligible?

Residential property (owner-occupied and rental) is eligible.

Loan Terms

General:

TID loans are for up to \$10,000.

The term is 5 years.

Loans are 0%, forgivable after 5 years.

Investor Owners:

Investor owners must match the TID loan on a dollar for dollar basis with their own funds.

Landlord Training is a required condition of obtaining the loan.

Forgiveness

Owner Occupants: As long as the owner lives in the home for five years after the rehab is complete, there will be no interest or payment. After the five years, the loan is forgiven if the property taxes are current.

Investor-Owners: As long as there have been no unresolved complaints about the condition of the building and taxes on the building are current, the loan will be forgiven five years after the rehab is complete.

Rehab Policy

What Rehab Work Is Eligible?

The purpose of the TID funds is to make permanent exterior repairs that will benefit the homeowner *and the neighborhood*. TID funds pay for exterior repairs to existing homes. Up to one-third of the loan may be used to correct hazardous conditions such as heating, plumbing, electrical, lead, or structural conditions.

Examples of exterior work TID funds shall be used for:

Roof replacement	Porch Replacement
Chimney Repairs	Siding and cladding
Gutters and downspouts	Exterior painting
Door replacement (prime and storm)	Front yard service walks & steps
Window replacement (prime and storm)	Permanent front yard landscaping

Minor modifications may be made to the TID loan program based on market demand and need.